

DHS Pro Forma

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total Units	238	238	238	238	238	238	238	238	238	238
Total # of RMs	86,870	86,870	86,870	86,870	86,870	86,870	86,870	86,870	86,870	86,870
Rate Per Day	\$125.00	\$128.75	\$132.61	\$136.59	\$140.69	\$144.91	\$149.26	\$153.73	\$158.35	\$163.10
<b>Revenue</b>										
Gross Potential Revenue	\$10,858,750	\$11,184,513	\$11,520,048	\$11,865,649	\$12,221,619	\$12,588,267	\$12,965,915	\$13,354,893	\$13,755,540	\$14,168,206
<b>Total Gross Potential Rent</b>	<b>\$10,858,750</b>	<b>\$11,184,513</b>	<b>\$11,520,048</b>	<b>\$11,865,649</b>	<b>\$12,221,619</b>	<b>\$12,588,267</b>	<b>\$12,965,915</b>	<b>\$13,354,893</b>	<b>\$13,755,540</b>	<b>\$14,168,206</b>
2.00% Vacancy Loss	(\$217,175)	(\$223,690)	(\$230,401)	(\$237,313)	(\$244,432)	(\$251,765)	(\$259,318)	(\$267,098)	(\$275,111)	(\$283,364)
<b>EGI</b>	<b>\$10,641,575</b>	<b>\$10,960,822</b>	<b>\$11,289,647</b>	<b>\$11,628,336</b>	<b>\$11,977,186</b>	<b>\$12,336,502</b>	<b>\$12,706,597</b>	<b>\$13,087,795</b>	<b>\$13,480,429</b>	<b>\$13,884,842</b>
<b>Operating Expenses</b>										
RE Taxes	\$1,887,225	\$1,939,124	\$1,992,450	\$2,047,242	\$2,103,541	\$2,161,388	\$2,220,827	\$2,281,899	\$2,344,652	\$2,409,130
Insurance	\$195,894	\$201,281	\$206,816	\$212,504	\$218,348	\$224,352	\$230,522	\$236,861	\$243,375	\$250,068
Utilities	\$301,336	\$309,623	\$318,137	\$326,886	\$335,876	\$345,112	\$354,603	\$364,354	\$374,374	\$384,669
Repairs & Maintenance	\$173,268	\$178,033	\$182,929	\$187,960	\$193,128	\$198,439	\$203,897	\$209,504	\$215,265	\$221,185
Administrative & General	\$105,468	\$108,368	\$111,348	\$114,410	\$117,556	\$120,789	\$124,111	\$127,524	\$131,031	\$134,634
3.00% Management Fee	\$319,247	\$328,825	\$338,689	\$348,850	\$359,316	\$370,095	\$381,198	\$392,634	\$404,413	\$416,545
Replacement Reserves	\$37,667	\$38,703	\$39,767	\$40,861	\$41,984	\$43,139	\$44,325	\$45,544	\$46,797	\$48,084
<b>Total Expenses</b>	<b>\$3,020,105</b>	<b>\$3,103,956</b>	<b>\$3,190,137</b>	<b>\$3,278,712</b>	<b>\$3,369,749</b>	<b>\$3,463,316</b>	<b>\$3,559,482</b>	<b>\$3,658,321</b>	<b>\$3,759,906</b>	<b>\$3,864,315</b>
<b>NOI</b>	<b>\$7,621,470</b>	<b>\$7,856,866</b>	<b>\$8,099,510</b>	<b>\$8,349,624</b>	<b>\$8,607,437</b>	<b>\$8,873,187</b>	<b>\$9,147,115</b>	<b>\$9,429,474</b>	<b>\$9,720,523</b>	<b>\$10,020,527</b>
DS	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)	(\$4,742,574)
<b>Net Cash Flow</b>	<b>\$2,878,895</b>	<b>\$3,114,292</b>	<b>\$3,356,936</b>	<b>\$3,607,049</b>	<b>\$3,864,863</b>	<b>\$4,130,612</b>	<b>\$4,404,541</b>	<b>\$4,686,900</b>	<b>\$4,977,948</b>	<b>\$5,277,953</b>
Mezz Lender DS	(\$250,000)	(\$214,286)	(\$178,571)	(\$142,857)	(\$107,143)	(\$71,429)	(\$35,714)	\$0	\$0	\$0
<b>Remaining Cash Flow after Mezz DS</b>	<b>\$2,628,895</b>	<b>\$2,900,006</b>	<b>\$3,178,364</b>	<b>\$3,464,192</b>	<b>\$3,757,720</b>	<b>\$4,059,183</b>	<b>\$4,368,826</b>	<b>\$4,686,900</b>	<b>\$4,977,948</b>	<b>\$5,277,953</b>
Unsecured Creditor Payoff	(\$1,758,902)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Remaning Cash Flow</b>	<b>\$869,994</b>	<b>\$2,900,006</b>	<b>\$3,178,364</b>	<b>\$3,464,192</b>	<b>\$3,757,720</b>	<b>\$4,059,183</b>	<b>\$4,368,826</b>	<b>\$4,686,900</b>	<b>\$4,977,948</b>	<b>\$5,277,953</b>
0.00% Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Remaning Cash Flow</b>	<b>\$869,994</b>	<b>\$2,900,006</b>	<b>\$3,178,364</b>	<b>\$3,464,192</b>	<b>\$3,757,720</b>	<b>\$4,059,183</b>	<b>\$4,368,826</b>	<b>\$4,686,900</b>	<b>\$4,977,948</b>	<b>\$5,277,953</b>
Mezz Loan Paydown	(\$714,286)	(\$714,286)	(\$714,286)	(\$714,286)	(\$714,286)	(\$714,286)	(\$714,286)	\$0	\$0	\$0
<b>REMAINING CASH FLOW</b>	<b>\$155,708</b>	<b>\$2,185,720</b>	<b>\$2,464,078</b>	<b>\$2,749,907</b>	<b>\$3,043,434</b>	<b>\$3,344,898</b>	<b>\$3,654,541</b>	<b>\$4,686,900</b>	<b>\$4,977,948</b>	<b>\$5,277,953</b>
<b>DS</b>	<b>1.61x</b>	<b>1.66x</b>	<b>1.71x</b>	<b>1.76x</b>	<b>1.81x</b>	<b>1.87x</b>	<b>1.93x</b>	<b>1.99x</b>	<b>2.05x</b>	<b>2.11x</b>
<b>Expense Ratio</b>	<b>28.38%</b>	<b>28.32%</b>	<b>28.26%</b>	<b>28.20%</b>	<b>28.13%</b>	<b>28.07%</b>	<b>28.01%</b>	<b>27.95%</b>	<b>27.89%</b>	<b>27.83%</b>